

MISSOURI DEPARTMENT OF MENTAL HEALTH
Division of Comprehensive Psychiatric Services
OFFICIAL MEMORANDUM

May 19, 2011

TO: **Community Providers Operating Residential Programs**

FROM: Tom Rehak, Coordinator of Policy and Programs
 Division of Comprehensive Psychiatric Services

SUBJECT: **Converting Supported Community Living Funds (T1)**

As you know, the Department has been planning to replace the Supported Community Living funds (T1) going towards services and supports at residential facilities owned and operated by community mental health centers with Medicaid dollars through the Intensive CPR billing option for adults. The following decisions have been made regarding this course of action:

- All the T1 funds being used for residential programs owned and operated by community mental health centers will be made available to the community providers operating the programs. An annual allocation will be identified based on historical spending.
- Authorizations for clients in these residential settings will end in CIMOR. The T1 funds will be allocated directly to providers in an appropriate service category in CIMOR designated by the provider. Providers will be allowed to bill the Intensive CPR IRTS daily rate (H0037TF) to pay for the treatment services and supports being provided in these settings, to the extent that the services provided are within the scope of the Intensive CPR rate. Providers will be responsible for identifying and collecting available client funds and the FSD boarding home grant in order to pay for room and board costs.
- Allowing treatment services and supports to be matched and billed to Medicaid will result in the availability of approximately two-thirds of the current T1 funds currently being paid to providers for the residential programs they own and operate. These T1 funds will stay in the service area and with the provider, and will be made available for additional services and programs.
- The Department has an interest in having these newly released T1 funds utilized to expand supported independent housing options and in having these funds utilized as Medicaid match to the maximum extent possible. Any general revenue funding not being used as Medicaid match is at

greater risk of being lost in future revenue reductions. It is also critical that these T1 funds be utilized in appropriate ways consistent with Medicaid rules and regulations. The Department will be available to provide technical assistance to providers in how to best utilize the funding in this manner.

Several providers have already submitted proposals on how to utilize surplus T1 funds. We will be prioritizing the review of those pending proposals.

The Department will be proceeding with these plans and will be identifying available T1 funds to allocate directly to providers who own and operate their own residential programs. The intent is to end authorizations in CIMOR for clients in these residential settings as of July 2011, although the final date will be decided jointly between the Department and the affected providers.

In addition, the Department is continuing to work with providers on decentralizing remaining T1 dollars that are currently being used to support individuals in housing settings other than residential facilities owned and operated by providers, including apartment settings.

If you have any questions please let me know. Thank you.